

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

In re:

FOLTS HOME, *et al.*¹

Debtors.

Case No. 17-60139
Chapter 11 (Main Case)
Case No. 17-60140

Jointly Administered

**STIPULATION AND ORDER AMENDING SALE-RELATED
DATES AND DEADLINES IN BIDDING PROCEDURES ORDER
AND AMENDING BIDDING PROCEDURES**

Debtors Folts Home and Folts Adult Home, Inc. (the “Debtors”) and the Office of the United States Trustee (“UST”) (collectively, the “Parties”), hereby stipulate and agree as follows:

WHEREAS:

A. On March 27, 2017, the Bankruptcy Court entered an *Order Pursuant to Sections 363 and 105 of the Bankruptcy Code: (A)(1) Setting Deadline and Approving Requirements and Procedures for Interested Parties to Submit Competing Bids For Substantially All Assets; (2) Approving Form of Purchase Agreement; (3) Scheduling an Auction; (4) Setting Hearing Date to Approve Sale of Assets to Successful Bidder; and (5) Approving Procedures with Respect to the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (B) Approving Form and Manner of Notice* [Docket No. 82] (the “Bidding Procedures Order”).

B. Paragraph 6 of the Bidding Procedures Order establishes a Bid Deadline² of May 26, 2017 at 4:00 p.m. (prevailing Eastern Time).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Folts Home (2183) and Folts Adult Home, Inc. (7237).

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C. Paragraph 7 of the Bidding Procedures Order establishes an Auction date and time of June 1, 2017 at 10:00 a.m. (prevailing Eastern Time) in the event the Debtors receive competing Qualified Bids for the Assets.

D. Paragraph 9 of the Bidding Procedures Order provides that the Court will conduct a Sale Hearing on June 13, 2017 at 2:00 p.m. (prevailing Eastern Time).

E. Paragraph 14 of the Bidding Procedures Order provides that the Court will resolve any Cure Amount/Assignment Objections at a hearing to be held June 13, 2017 at 2:00 p.m.

F. The Bidding Procedures Order also approved Bidding Procedures incorporating the above dates.

G. On March 29, 2017, Debtors' counsel served copies of the *Notice of Auction and Sale Hearing* on all creditors and parties in interest in these cases, and served copies of the Bidding Procedures Order, including the Bidding Procedures.

H. Following the service of the Bidding Procedures Order and Notice of Auction and Sale Hearing, the Debtors were advised that the Jewish holiday of Shavuot begins on the evening of May 30, 2017 and continues through the evening of June 1, 2017.

I. The principals of Upstate Service Group, Inc., the stalking horse bidder ("Purchaser") approved by the Court, and the principals of several other potential competing bidders observe Shavuot and will not be able to participate in an Auction held on June 1, 2017.

J. In order to ensure that the Purchaser, and as many other competing bidders as possible, are able to participate in the Auction and related hearings, the Debtors and the UST have consented to amend the Bidding Procedures Order and provide new dates for the Auction, Sale Hearing and related deadlines.

² Terms not defined in this Stipulation and Order shall have the meanings ascribed to them in the Bidding Procedures Order.

NOW THEREFORE, in consideration of the foregoing, the undersigned counsel for the Parties, hereby agree and stipulate as follows:

1. **Amended Bid Deadline.** Paragraph 6 of the Bidding Procedures Order is hereby amended to provide that the deadline for submitting bids for the Assets is **June 2, 2017 at 12:00 noon** (prevailing Eastern Time).
2. **Amended Auction Date.** Paragraph 7 of the Bidding Procedures Order is hereby amended to provide that the Auction shall take place on **June 6, 2017 at 10:00 a.m.** (prevailing Eastern Time) at the offices of Bond, Schoeneck & King, PLLC, One Lincoln Center, Syracuse, New York, or such other place and time as the Debtors shall notify all Qualified Bidders and other invitees.
3. **Amended Sale Hearing Date.** Paragraph 9 of the Bidding Procedures Order is hereby amended to provide that the Sale Hearing shall be held by the Court on **June 20, 2017 at 11:00 a.m.**
4. **Amended Hearing Date for Cure Amount/Assignment Objections.** Paragraph 14 of the Bidding Procedures Order is hereby amended to provide that the Court will resolve any Cure Amount/Assignment Objections at a hearing to be held on **June 20, 2017 at 11:00 a.m.**
5. **Amended Notice of Auction and Sale Hearing.** On or before three business days after entry of this Stipulation by the Court, the Debtors shall serve a copy of the Amended Notice of Auction and Sale Hearing attached hereto as Exhibit "A" on all known creditors of the Debtors and all residents of the Facilities or the residents' designated family members.
6. **Amended Bidding Procedures.** The Bidding Procedures are hereby amended to reflect the dates stated in paragraphs 1 through 4 above. A copy of the Amended Bidding Procedures is attached hereto as Exhibit "B". On or before three business days after entry of this

Stipulation by the Court, the Debtors will cause (i) a copy of the Amended Notice of Auction and Sale Hearing and (ii) copies of this Stipulation and Order and the Amended Bidding Procedures to be sent by first-class mail postage prepaid, to the following: (i) counsel for Purchaser; (ii) the UST; (iii) counsel for HomeLife; (iv) HUD; (v) the IRS; (vi) counsel for HUD and the IRS; (vii) the DOH; (viii) counsel for the DOH; (ix) the NYS Attorney General; (x) all parties to the Assumed Contracts; (xi) all required governmental agencies; (xii) investment banker CohnReznick Capital Markets Securities, LLC (“CRCMS”); and (xiii) all entities known by the Debtors to have filed a notice of appearance or a request for receipt of chapter 11 notices and pleadings filed in the Debtors’ cases.

7. **Posting of Documents by Investment Banker.** CRCMS shall post this Stipulation and Order, the Amended Notice of Auction and Sale Hearing and the Amended Bidding Procedures in the Debtors’ electronic data room.

8. **No other Amendments.** Except as amended herein, all other terms and conditions of the Bidding Procedures Order and the Bidding Procedures shall remain the same and shall continue in full force and effect.

9. **Effective Date of Stipulation.** The terms and conditions of this Stipulation shall become effective immediately upon the entry of an Order approving the Stipulation by the Bankruptcy Court.

10. **Execution of Stipulation.** This Stipulation may be executed and delivered in any number of original, facsimile, or electronic portable document format (.pdf) counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

11. **Bankruptcy Court Jurisdiction.** The Bankruptcy Court shall retain jurisdiction over the parties hereto with respect to this Stipulation including, without limitation, for the purpose of interpreting, implementing and enforcing its terms and conditions.

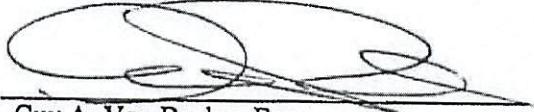
WHEREFORE, the Parties respectfully request that the Bankruptcy Court "so order" this Stipulation and grant such other and further relief as this Court deems just and proper.

Dated: April 11, 2017
Syracuse, New York

By: Camille W. Hill By:
Stephen A. Donato, Esq.
Camille W. Hill, Esq.
Bond, Schoeneck & King, PLLC
One Lincoln Center
Syracuse, NY 13202-1355
Telephone: (315) 218-8000
Email: sdonato@bsk.com
chill@bsk.com

Counsel for the Debtors

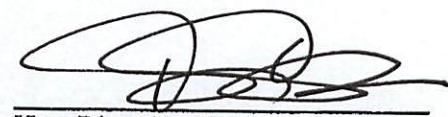
Dated: April 11, 2017
Utica, New York


Guy A. Van Baalen, Esq.
Erin P. Champion, Esq.
Office of the United States Trustee
105 U.S. Federal Building
10 Broad Street
Utica, NY 13501
Telephone: (315) 793-8191
Email: Guy.A.VanBaalen@usdoj.gov
Erin.Champion@usdoj.gov

Counsel for the United States Trustee

SO ORDERED.

Dated: April 12, 2017
Utica, New York


Hon. Diane Davis
United States Bankruptcy Judge